

VZCZCXYZ0665
PP RUEHWEB

DE RUEHWN #0142/01 0631907
ZNY CCCCC ZZH
P 041907Z MAR 09
FM AMEMBASSY BRIDGETOWN
TO RUEHC/SECSTATE WASHDC PRIORITY 7179
INFO RUCNCOM/EC CARICOM COLLECTIVE PRIORITY
RUEHBJ/AMEMBASSY BEIJING PRIORITY 0298
RUEHIN/AIT TAIPEI PRIORITY 0149
RUMIAAA/HQ USSOUTHCOM J2 MIAMI FL PRIORITY
RUMIAAA/HQ USSOUTHCOM J5 MIAMI FL PRIORITY

C O N F I D E N T I A L BRIDGETOWN 000142

SIPDIS

E.O. 12958: DECL: 03/02/2024
TAGS: [PGOV](#) [PREL](#) [PINR](#) [CN](#) [XL](#)
SUBJECT: CHINESE VICE PREMIER HUI,S VISIT: IT WAS ALL ABOUT
TAIWAN

Classified By: CDA D. Brent Hardt, for reasons 1.4 (b) and (d).

Summary

¶1. (C) The visit of Vice Premier Hui Liangyu to Barbados was more style than substance, according to senior MFA officials. The primary goal of the visit appears to have been to reinforce China,s commitment to the region in order to prevent any new flip-flops on the recognition of Taiwan following St. Lucia,s switch from recognition of China to Taiwan last year. Beyond showing the flag, the Vice Premier signed minor agreements on agricultural and economic cooperation, and agreed to continue to work on arrangements to bring PRC tourists to Barbados. End summary.

Hui Seeks to Avert Slippage in Recognition

¶2. (C) MFA Permanent Secretary Teresa Marshall recently reviewed the February 17-19 visit of Chinese Vice Premier Hui Liangyu with the Charge, concluding that the visit "did not produce anything novel." She said the visit -- and a parallel one elsewhere in the region by another delegation -- sought to ensure that what happened in St. Lucia -- a switch in recognition from the PRC to Taiwan -- would not happen again. Marshall speculated that the PRC wants "to prevent further slippage."

Greenhouse Technologies and CinemaRestoration Top Agenda

¶3. (C) The substantive aspects of the visit were light, largely a continuation of ongoing discussions and programs. The countries did sign an agreement on agriculture, largely to provide technical cooperation particularly in developing greenhouse technologies. (Note: Bridgetown is particularly concerned about food security after last summer,s rapid inflation in food prices and sees potential in expanding greenhouse use. End note.) The Chinese also agreed to conduct a feasibility study to renovate an historic movie theater in Bridgetown. Marshall explained that Chinese money previously committed to Barbados has not been obligated; consequently, previously allocated funds would likely be used for the theater project. The Chinese are increasingly demanding that monies allocated to projects be backed-up by feasibility studies, she added, noting that much of the funding previously allocated by the PRC is tied up in bureaucratic bickering within the Barbados government as ministries vie for their pet projects.

¶4. (c) The Chinese are also reportedly looking at investment possibilities in Barbados, but as there are few

Chinese companies operating at a high level in the international tourism industry or the offshore banking industry)- the only significant FDI recipients on the island -- they are finding it difficult to match investors with opportunities. Marshall also noted that there had been an effort to add a trade component to the visit with the addition businessmen from Guangdong Province; however, she was unaware of any specific deals being made. All in all, she noted there was perhaps \$140,000 of new funds associated with this visit.

Tapping into a Billion Chinese Tourists?

15. (C) For Barbados, as for other Caribbean tourism destinations, the potential of increasingly wealthy Chinese tourists continues to stir the imagination of Tourism officials, and the Vice Premier explored with his Barbadian counterparts prospects for such tours. Despite the strong desire on behalf of the Barbadians, significant impediments remain to the development of Barbados as anything more than a niche destination for a few PRC nationals. The GOB is supportive of the model used in Europe, where Chinese tour companies prescreen visitors and they are granted visas on a pro-forma basis by the consular authorities. Despite the challenges presented by comparable and lower cost destinations much closer to Mainland China, the GOB contends that the real deal-breaker is the problem incurred when trying to obtain transit visas for the U.S. or U.K. -- the two most feasible airlift routes.

Comment

16. (c) The tight-lipped response of the Chinese Embassy in Bridgetown to our repeated inquiries backed up Marshall's analysis that this visit was more political form than economic or development substance. The Chinese delegation brought little new money to the table and little prospect for a more comprehensive economic relationship. Ironically, their willingness to lavish attention on "friendly" Caribbean nations may have an effect opposite to that desired by the Chinese. There are on-again, off-again discussions of the need for a CARICOM-wide China policy that would have all countries recognizing the PRC. But if that were to happen, it would greatly reduce the incentive for China to come out and invest heavily in the region. Thus the delegation's reactive presence may have inadvertently signaled that it would be wise for the Caribbean to keep at least a couple of countries in the Taiwan camp, if only to keep their other Chinese suitors interested and engaged. And as China's superpower status rises, Caribbean expectations for largesse are likely to keep pace.

HARDT